

II. BACKGROUND OF THE INVENTION

The term mortgage is defined, for example by the American Heritage Dictionary, to mean (1) a temporary, conditional pledge of property to a creditor as security for performance of an obligation or repayment of a debt; (2) a contract or deed specifying the terms of a mortgage; (3) the claim of a mortgagee upon mortgaged property. In common speech, however, the term can additionally encompass a loan secured by real estate, real estate securities, trusts, real estate investment trusts, and syndications, including fixed-rate, adjustable rate, balloon, home equity, lines of credit, and reverse mortgages. Similarly, the term may also refer loosely to closing costs, principle payments, and interest payments typically demanded by a mortgagee and accepted by the mortgagor.

Closing costs refer to any charges, fees, assessments and payments that typically are paid at closing, including downpayments, equity sharing costs, rental assistance, rental contributions, rental insurance, rent-to-own credits and payments, mortgage insurance, inspections, appraisals, credit reports, special assessments, impact fees, new construction fees, homeowner assessments, homeowner association dues, tax and hazard and mortgage insurance escrow accounts, stamps, government fees and taxes, realtor fees, recording fees, miscellaneous fees, title endorsements, tax certificates, wire transfer and courier fees, title and closing fees, flood insurance and certificates, discount points and origination fees, underwriting and processing fees, review and funding fees, tax service fees, termite and earthquake and catastrophe insurance, mortgage payment insurance, job income insurance, disability insurance, hazard and environmental insurance, environmental and termite inspection, radon test, foundation insurance, credit life insurance, lot costs, land costs, development & infrastructure costs, architect fees, engineering fees, surveying fees, material costs, landscaping, water rights, riparian rights, mitigation fees, attorneys' fees, membership fees, parking space acquisition, garage maintenance, appliance acquisition/upgrades, material

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or Telephone (28), a new Public Key (38) will be generated reflecting the revision. The invention references Fig. 9 Public Key Status. Similarly, in the event the Zip Code field of an Address (22) is changed, and/or a cardholder's email (26), a new invention email (92) and/or email redirect (90) is generated for the user. The invention references Fig. 8 Email Setting. NOTE: the user may elect to continue to display his/her prior email, or elect to use the new address.

Additionally, the invention recognizes that certain changes to an application may require special handling. Thus, Name (22) changes for reasons other than marriage (458), and unspecified changes (456) are referred to a Customer Service (460) representative. The invention can be configured to initially display an "800" number for Customer Service, but live online help is within the scope of the invention.

The invention queries whether the user wishes to save other changes (462). If YES, the invention references Fig. 8, Confirmation of Allocations (78).

If NO, the existing page remains on screen. In order to complete Customer Service Referrals (460), the user contacts Customer Service/Telco (3).

An authorized Customer Service/Telco representative Logs In (464), then queries the cardholder and enters required data (466). Any changes are confirmed (78).

In Cardholder Credits Function (Fig. 16), the Cardholder Credits Function manipulates data received from Cardholder Transactions (Fig. 5, 62), Credit Calculation (468) rates, and the Cardholder's Settings (Fig. 6 et. al.) to Pay Allocated Credits (476).

A key feature of the invention is its ability to discriminate between Mortgagee Credits (469), awarded by Internal (135) and External (136) Mortgagee. In order to attract business, Internal Mortgagees (135) may offer higher credit rates if a cardholder moves his/her mortgage to their institution, or waive transfer or refinance charges, or offer any other legal incentive. Conversely, External Mortgagees (136) may offer credits to cardholders who open a

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checking, saving, or other account, or any other legal purpose.

All such offers are set and offered behind a firewall (480), that forbids cardholder access to the Mortgagee credit-setting process. Once determined, Mortgagee Credits are transmitted via Network Systems (5) to the Credit Calculation function (468).

5 The invention takes into account whether or not Payment Terms (470) have been satisfied, and reports outcomes to Fig. 17 Reporting (478). The Cardholder Credits Function exists wholly behind a firewall (480). Cardholder Credits Function is not directly accessible by cardholders (2), Customer Service/Telco (3) or Customer Service/Mail (4) representatives.

10 Cardholder Transaction data (62) for the current statement period is imported from Fig. 200. Credit Calculations (468) are performed to determine the total number of new credits to be awarded. This calculation may be based on any reasonable formula; e.g., 5% of total purchases recorded during the current period; 1% of total purchases + 10% of balance carried forward, etc.

15 The inventors assume that licensed versions of the invention may offer different Credit Calculation award structures.

Possible restrictions on payments are reviewed in Payment Terms (470). Once again, this is a formulaic review based on standards established by the invention and/or its licensees. For example, awarded credits may be withheld [Withheld Credits (474)], from
20 cardholders who are behind in payments; have paid an insufficient portion of an outstanding balance; have exceeded authorized credit limits; have outstanding contested charges; etc. The invention may also issue a portion of awarded new credits rather than all, or no credits. A regular payment review (472) is conducted, based on either statement schedule or cardholder request.

25 If any credits are issued, the invention will Pay Allocated Credits (476) according